AGENDA DATE: 6/9/99
AGENDA ITEM:

# State of New Jersey

Board of Public Utilities
Division of Energy
Two Gateway Center
Newark, NJ 07102

ENERGY

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| IN THE MATTER OF THE FILINGS OF THE COMPREHENSIVE RESOURCE ANALYSIS OF ENERGY PROGRAMS PURSUANT TO SECTION 12 OF THE ELECTRIC DISCOUNT AND ENERGY COMPETITION ACT OF 1999 | ) | ORDER ESTABLISHING PROCEDURES<br><br>DOCKET NOS. EX99050347 EO99050348, EO99050349, EO99050350, EO99050351, GO99050352, GO99050353, GO99050354 |

**(SERVICE LIST ATTACHED)**

**BY THE BOARD:**

On February 9, 1999, the "Electric Discount and Energy Competition Act", P.L. 1999, c.23 ("the Act") was signed into law. Section 12, subsection a(3) of the Act provides that the Board shall initiate a proceeding and cause to be undertaken a comprehensive resource analysis of energy programs within four months of the effective date of the Act. This subsection of the Act further requires that within eight months of initiating this proceeding and after notice, public comment, and hearings, the Board in consultation with the Department of Environmental Protection, shall determine the appropriate level of funding for energy efficiency and Class I renewable energy programs that provide environmental benefits above and beyond those provided by standard offer or similar programs in effect as of the effective date of this Act.

The Board's current policies on energy efficiency programs have been principally governed by existing regulations under which the electric and gas utilities in the State are to offer conservation, energy efficiency and load management programs, collectively referred to as Demand Side Management (DSM) programs. N.J.A.C. 14:12-1.1 through N.J.A.C.

14:12-5.4 The rules are designed to encourage and promote cost-effective investment in Demand Side Management initiatives while providing financial incentives to the utilities for recovery of direct DSM costs and, at times, indirect costs such as lost revenues resulting from programs offered under incentive regulations such as Standard Offer Programs and shared savings programs. These rules are intended to foster the penetration and use of energy efficiency technologies applicable to the use and supply of electric and gas energy in the state.

Each utility currently offers an array of programs under its own Board-approved DSM plans, including both core programs and performance-based programs using either a standard offer or shared savings approach. Each utility is required to make periodic plan proposals to the Board to provide specific descriptions, purposes, target markets, program design, implementation and impacts on the competitive markets for each program under its DSM plan. DSM plans include, but are not limited to, programs to encourage high efficiency residential and commercial/industrial new construction, rebates on high efficiency HVAC and motor equipment installed in homes and businesses, as well as payments to Energy Service Companies (ESCo) who install energy efficiency measures at guaranteed levels of energy shavings.

The fostering of such energy efficiency measures has led to the development of a robust energy efficiency market infrastructure and new technologies in and standards for high efficiency equipment in the State of New Jersey.

The Act provides for the elimination of the traditional retail monopoly which electric public utilities have held in this State for electric power generation and supply services. New Jersey energy consumers will soon be afforded the opportunity to access the competitive market for such services and to select the electric power supplier of their choice. Accordingly, it has become necessary to re-evaluate existing DSM policies and programs and to consider new energy efficiency alternatives to either replace or supplement existing programs in the State and allow for the fostering of energy efficiency measures in such alternatives as renewable energy sources.

New energy market industries developed as national, State and Board policies turned to demand side management in the early seventies when energy prices escalated. As energy policy has evolved the DSM market infrastructure has had to adapt to the changing environment. As the electric and gas industries have had to make the transition to a competitive market, the energy efficiency market must likewise make a transition as policies are re-evaluated through the Comprehensive Energy Resource Analysis of Energy Programs. Through this analysis, affected parties will be given the opportunity to participate in the reevaluation of DSM programs and incorporation of new renewable programs relative to the changing role of the electric and gas industries.

Energy efficiency continues to play an integral part of the energy policy of the state as

reflected in the Act. State policy dictates that funding for energy efficiency and Class I renewable energy programs will continue, subject to the condition that the funding for such programs "be no less than 50% of the total statewide amount being collected in public electric and gas utility rates for DSM programs" as of February 9, 1999 for four years after the conclusion of the first comprehensive resource analysis and "provided that 25% of this amount shall be used to provide funding for Class I renewable energy projects in the State". During the fifth through eighth years, the Statewide funding for such programs "shall be no less than 50% of the total statewide amount being collected in public electric and gas utility rates for DSM programs" as of February 9, 1999, "except as additional funds are made available as a result of the expiration of past standard offer or similar commitments." For years five through eight, the Act provides that "the minimum amount of funding for such programs shall increase by an additional amount equal to 50% of the additional funds made available, until the minimum amount of funding dedicated to such programs reaches $140,000,000 total." After the 8th year, funding for these programs will be, at the full discretion of this Board.

Moreover, the Act allows for the continued recovery of DSM program costs that were approved by the Board prior to April 30, 1997. Such recovery will be funneled through the non-bypassable Societal Benefits Charge.

Although the Act sets forth certain parameters for funding and recovery of DSM costs, the Board is still faced with a four year rate cap transition period and concerns regarding the potential for rate increases after that period.

Clearly, numerous funding issues remain and will need to be resolved within the Comprehensive Resource Analysis of Energy Programs Proceeding. As the energy industry makes the transition into a new competitive environment and market barriers are torn down, questions of funding and reliance on market forces to provide the impetus of installation of energy efficiency measures at customer locations will become increasingly apparent and perhaps dictate the future role of DSM in the State of New Jersey.

To facilitate a timely resolution of these issues, Staff convened a meeting on March 18, 1999 to discuss the comprehensive Resource Analysis of Energy Programs Proceeding. The purpose of the meeting was to provide interested parties the opportunity to express their views on the issues and questions which need to be addressed on energy efficiency and Class I renewable energy programs via the CRA as well as the filing requirements that should be imposed by the Board.

During the meeting, the parties conducted a meaningful discussion as to the manner in which the CRA proceeding should be processed. Parties made several suggestions. In light of these concerns expressed, Staff requested that each party submit by March 26, 1999, comments in writing on the issues to be resolved and the manner in which the CRA should be conducted.

Numerous comments were received. One set of comments, represented a joint effort among many of the parties including the four electric and gas utilities in the state: Public Service Electric and Gas Company ("PSE&G"), New Jersey Natural Gas Company (“NJNG”), Elizabethtown Gas Company ("E'town"), South Jersey Gas Company ("South Jersey"), Jersey Central Power and Light Company d/b/a as a GPU-Energy Company ("GPU-E"), Conectiv and Rockland Electric Company ("RECo"); three Energy Service Companies (ESCos): Honeywell DMC, Services, Inc. ("HDMC"), NAESCO, and Onsite Sycom; six energy efficiency associations: New Jersey Public Interest Research Group ("NJPIRG"), Natural Resources Defense Council ("NRDC"), Pace Mid-Atlantic Energy Project ("MAEP"), Environment Defense Fund ("EDF"), the American Wind Energy Association "AWEA") and the New Jersey Coalition of Energy Service Companies ("NJCESCos").

The joint comments advocate a CRA process that uses a consensus building approach among the participating parties, while developing a record in sufficient time for the Board to meet the legislatively mandated schedule to complete the CRA proceeding by February 9, 2000. The joint comments recommended a three part structure to the CRA proceeding addressing: 1) Funding and Policy Issues; 2) Resource Assessment and Program Design Issues; and 3) Implementation and Administrative Issues.

For each respective part of the CRA proceeding, the joint comments provided a list of questions as well as a proposed schedule and process by which to conduct a review of such questions. Moreover, the joint comments identified five primary goals of the proceeding to determine 1) the manner in which energy efficiency and renewable energy resources will be applied; 2) the level of funding for energy efficiency and renewable energy programs; 3) the energy efficiency and Class I renewable programs to be funded via the societal benefits charge ("SBC"); 4) the level of cost recovery and performance incentives for old and new programs; and 5) whether the recovery of DSM costs already approved by the Board may be reduced or extended over a longer period of time.

While Conectiv was one of the joint commentors and generally concurs with the process suggested in the joint comments, in a letter to the Board on March 26, 1999, Conectiv stated that the CRA proceeding should fulfill the basic requirements of the Act, and no more. Conectiv further argued that any commitment to additional funds for energy efficiency programs is inappropriate considering Conectiv's current substantial funding to energy efficiency programs.

Also on March 26, 1999, NAESCo supplemented the joint comments with three questions not addressed therein. NAESCO proposes the following two additional questions to address policy and funding concerns, and one additional question in the resource assessment and program planning stage of the CRA proceeding respectively:

1) What are the current and anticipated levels of utility administrative and overhead costs associated with the programs?

2) Should the utilities continue (or, in the case of SO3, begin) their current 1999 programs until the new programs begin in 2000?

3) What are the environmental benefits of the current programs which might serve as a benchmark for evaluating proposed new programs?

NAESCO argues that up-front direction on these policy and funding issues would allow for all evaluation work to be completed prior to the commencement of program planning work.

SESCO filed comments on March 24, 1999, recommending that the working Group referred to in the Board's April 30, 1999 Restructuring Electric Power Industry in New Jersey, Findings and Recommendations (Final Report) be convened at this time and be directed to focus on the issues set forth in the Act, including the contents of the prospective CRA filings and to determine the Statewide CRA.

SESCO further suggests that the working group be partitioned into functional divisions to provide incentives to developing unified positions among the parties with similar interests. Such functional groups would include: 1. public utilities/other supply side producers, 2. ESCos, and 3. customer groups/consumer advocates.

SESCO supports a consensus building process which would allow each party and utility to submit its recommended Comprehensive Resource Analysis to the Board as the basis for negotiation and possible settlement. Moreover, SESCO objects to a Request For Proposal ("RFP") approach to addressing the CRA, arguing that it is costly and delegates the bulk of the CRA responsibility to one or two consultants, increasing the controversy over the consultant selection, and hindering progress in a settlement process.

In the event settlement is unlikely, litigation may prove necessary. SESCO does not provide a recommendation on whether the Board should retain the CRA matter or transmit the matter to the Office of the Administrative Law ("OAL"), but rather it states it is premature to make such a determination. It indicates that it is committed to the settlement process and recommends against any effort to expedite settlement discussion to commence litigation sooner.

The Department of Environmental Protection ("DEP") Agency suggested that the Board take steps to ensure all private sectors such as wind power, fuel cell industry and biogas/biomass energy providers be represented in the CRA discussions and proceedings. DEP offers to reach out to landfill managers. In its comments, DEP identified several key issues: integration of planning, funding, orchestration of resources, identifying promising technologies and administration.

The Division of the Ratepayer Advocate ("DRA") endorses the issues listed in the joint comments filed on March 26, 1999, with the proviso that revisions to the current DSM regulations be considered as part of overall policy/funding guidelines. The DRA further identifies several additional pertinent issues, including the following:

1) How can maximum use of competitive principles and competitive market forces be made in administering and implementing energy resource programs?

2) How can the needs of low-income households be taken into account in designing and implementing energy efficiency and renewable energy programs?

3) How should the development of renewable energy programs be coordinated with the implementation of the renewable portfolio standard?

4) How should the development of energy efficiency and renewable energy programs be coordinated with any environmental portfolio standard for energy supplies which the Board may choose to develop?

5) Can measures that conserve oil be considered efficiency or renewable resource measures?

The DRA agrees with SESCO that the RFP approach to hiring a consultant would be time consuming and costly. Moreover, it would create an additional layer of review that would already be provided by those parties directly involved in the process.

The DRA also supports a consensus building approach through a working group environment and further recommends that this matter be retained by the Board, allowing the parties to provide comments on unresolved issues prior to final Board determination.

On March 25, 1999, Mid-Atlantic Solar Energy Industries Association ("Mid-Atlantic SEIA") filed comments on the issues and questions which it believes need to be addressed during the CRA proceedings. Mid-Atlantic SEIA represents companies in New Jersey, Pennsylvania and Delaware responsible for research and development, design, manufacturing, marketing, installation, and servicing of solar energy systems and fuel cell power systems. The comments submitted include a list of procedural, funding, programmatic and administrative issues, which are all posed in the form of questions.

**Discussion and Findings**

The Board appreciates and has carefully considered the comments received, and supports the effort of the parties to attempt to reach a consensus on these important issues, subject to Board approval. Consistent with the requirements of the Act however, we must establish a schedule to allow for timely resolution of these issues if an acceptable settlement

can not be achieved.

In accordance with the foregoing, the Board **HEREBY ESTABLISHES** a filing deadline of August 23, 1999 for the Comprehensive Resource Analysis of Energy Programs applicable to the State's seven gas and electric public utilities (Public Service Electric and Gas Company, Elizabethtown Gas Company, South Jersey Gas Company, New Jersey Natural Gas Company, Rockland Electric Company, Atlantic Electric Company/Conectiv, and Jersey Central Power and Light Company, d/b/a GPU-Energy. Each of these seven utilities shall make such a filing, either individually or as part of a joint filing with other parties. In addition filings may also be made by other parties on all or some of the issues discussed below. All submissions shall be accompanied by prefiled testimony. We strongly encourage the parties to work together to collaborate on joint filings. While we are encouraging collaboration and joint filings, any party which does not participate in a joint filing shall be permitted to submit its own filing.

We find that the legislative mandate that the Board conduct a CRA proceeding is duplicative of and supersedes the working group process envisioned in the April 30, 1997 Final Report and, thus, we find that the formation of such working group is no longer necessary or appropriate. This matter will be retained by this Board and not transferred to the Office of Administrative Law.

Each utility filing shall, at a minimum address three principal areas: I) Overall Policy and Funding Guidelines; II) Resource Assessment and Program Plan; and III) Program Plan Administration and Implementation, and provide the following:

1. A proposed demand side management and renewable plan;

2. A proposed funding plan for new programs for energy efficiency and renewable energy resources over the next four years:

3. A proposed implementation and administration plan.

These areas are consistent with the joint comments submitted by several of the parties as discussed above and sufficiently address, in our view, the needs and questions posed by the other parties who have submitted comments.

Moreover the utilities' filings shall discuss, at a minimum, the approaches to reaching findings and conclusions in the three principal areas, by providing comprehensive answers with all supportable documentation attached, to the following questions and filing requirements. These questions and/or filing requirements are not intended to be all inclusive and may be supplemented. We note further that additional questions, which may have been submitted through comments but which are not reflected below as part of the filing requirements may be submitted as data requests, where relevant to the filings, within the

appropriate procedural deadlines discussed below.

**Overall Policy/Funding Guidelines**

**Funding**

1. What is the current amount being collected in rates for each gas and electric utility for Demand Side Management as of February 9, 1999?

2. What is the minimum funding level for new programs for energy efficiency and renewable energy resources over the next four years?

3. What is the projected level of funding over the next four years for energy efficiency commitments made prior to the effective date of the Act?

4. How should funding be allocated to each class I energy renewable and new energy efficiency program?

5. How should funds be allocated across the gas and electric utilities in the state for the new energy efficiency and renewable programs?

6. Provide suggestions on how funding for new programs can be generated through the reallocation of funds from existing programs to new programs.

   a. Which existing programs are not cost effective?

   b. How should the Board modify existing programs to allow for the new funding guidelines outlined in P.L. 1999, c. 23?

   c. Identify specific financial mechanisms which could believe the utilities from future ESCo payments under Standard Offers through the early buy-out of contracts etc. Provide detailed proposals and analysis of the savings it would derive.

7. At what pace and in what amounts should current commitments for core and performance based programs be met? When will current Standard Offer contracts reach their maturity dates, thereby freeing up more funds for additional programs?

8. Which current Demand Side Management Cost recovery may be reduced or extended over a longer period of time?

9. In funding programs, what funding constraints, if any, should exist to avoid cross-

subsidy between customer classes or between utilities?

10. What funding should be established for the next four years to utilize the resources identified in the resource assessment in order to meet the policy goals and objectives established by the BPU with regard to:

    Class I Renewable Energy Resources;
    New Residential Energy Efficiency;
    New Commercial and Industrial Energy Efficiency;
    Existing Residential Energy Efficiency; and
    Existing Commercial and Industrial Energy Efficiency?

11. What are the current and projected total costs for DSM programs broken out by administration, overhead, public relations, legal, and actual program expenditures to contractors or customers?

12. What methodology/approach should be employed to select/prioritize and allocate funds to Class I renewable projects/programs?

    a. To what extent should there be even distribution of funds to Class I solar, photovoltaic, fuel cells, biomass facilities, methane gas, geothermal technologies and any other class I renewable energy programs.

    b. What are the current pending federal renewable programs which are only partially funded by the federal government and thus need further funding?

    c. What are the current federal programs for renewables in New Jersey which are currently fully funded?

    d. What new federal renewable programs are on the horizon and how are they expected to be funded?

    e. What renewable programs are currently being implemented in other states?

    f. Should funding for renewable programs be uniform across utilities or industries (i.e. gas and electric)

13. What are the advantages and disadvantages of relying on an auction/bidding process to fund renewable programs? What would be the specific details under such a process?

14. What are the proposed priorities for funding and how should they be selected

taking into account demonstrable/measured performance in energy savings and environmental benefits?

15. What are the current techniques for performance measurement and verification? How should performance be demonstrated and accountability assured for future SBC funding? What are the alternatives?

16. Should funds collected for renewable energy pursuant to the Act be placed in a trust fund, to be expensed as programs develop? How should such a trust fund be structured? What sunset date should be set for the trust fund?

17. In light of the legislatively-mandated (P.L. 1999, c. 23)rate discounts and price caps through July 2003 for the electric utilities, and Board-approved restructuring plans in implementation thereof, how will the proposed funding levels for energy efficiency and renewable programs impact the achievement of the overall level of rate discounts and shopping credits, and the magnitude of cost deferrals slated for recovery post-July 2003?

18. How can the funding levels for new technologies be phased-in to account for the rate discount/price cap constraint through July 2003?

**Overall Policy**

1. What has been the current policy goals and objectives for the energy efficiency Programs and how should they change and be re-prioritized to reflect new renewable and energy efficiency priorities on a going forward basis for the next four years from February 9, 2000 to February 9, 2004 and subsequent eight years from February 9, 2004 to February 9, 2012? (e.g., economic development, cost-effectiveness, market transformation, affordability, resource acquisition, environmental, regional initiatives)

2. How should these objectives be changed or re-prioritized in selecting programs given funding constraints for periods February 9, 2000 through February 9, 2004 and for the subsequent eight year period from February 9, 2004 through February 9, 2012?

3. What are the decision-making guidelines and criteria for choosing among competing programs and objectives?

4. What cost-effectiveness analysis should be undertaken for energy efficiency and renewable energy programs and what role does this play in setting program priorities?

5. What options should be considered for plan implementation and administration?

6. What are the requirements for potential plan administrators?

7. Are there minimum requirements for participation by distribution utilities relative to plan development, administration, and implementation?

8. How should any necessary budget or program modifications for current energy efficiency programs be addressed for the time period beginning January 2000 and continuing until new programs and appropriate transition plans are approved?

9. What aspects of the new energy efficiency and renewable programs should be uniform across utilities?

**Resource Assessment and Program Plan**

**Resource Assessment**

1. Provide a program(s) which will provide financial incentives for the installation of Class I renewable energy projects in the State.

2. The following questions should be applied to a) Class I Renewables, b) Residential Energy Efficiency Markets, c) Commercial/Industrial Energy Efficiency Markets, d) New Energy Efficiency Programs:

    1. What resources and opportunities are available?

    2. What is the size and status of each potential resource and opportunity in New Jersey?

    3. What are the barriers to market-based development of each resource or opportunity?

    4. What information is still needed concerning each resource or opportunity?

    5. What are the costs and benefits of pursuing a particular resource or opportunity?

    6. What technologies need assistance?

    7. How should program incentives be phased-out over time, to reflect

market maturity and to account for the ramp up of other market stimulants such as the increase in renewable portfolio standard through 2012?

8. What criteria should the Board employ to ascertain the level of market maturity for new technologies and reduction in market barriers?

**Program Plan**

1. What markets will be served under each new energy efficiency and renewable program and which markets will no longer be served as certain programs are eliminated or expire?

2. What program plans should be established for the next four years to utilize the resources identified in the resource assessment in order to meet the policy goals and objectives established by the BPU with regard to:

    a. Class I Renewable Energy Resources;
    b. New Residential Energy Efficiency;
    c. New Commercial and Industrial Energy Efficiency;
    d. Existing Residential Energy Efficiency; and
    e. Existing Commercial and Industrial Energy Efficiency.

3. How should plans be structured?

4. What programs should be implemented? What level of funding is optimal for each program to be implemented?

    a. Provide a complete description of the each new energy efficiency and class I energy renewable program.

    b. Provide a marketing plan for each new energy efficiency and class I renewable program.

    c. Provide a description of the roles parties play within each new energy efficiency and class I renewable program.

    d. Provide an implementation plan for each new energy efficiency and class I renewable program.

5. Which programs should be implemented on a statewide basis and which should be tailored to specific service areas?

6. To what degree should programs be coordinated with other national and regional efforts?

7. Should programs be tailored to address specific technologies, markets, or sizes of installation? Provide all supporting documentation.

8. What are the costs and benefits of proposed programs?

9. What are other states doing to promote energy efficiency programs, core, performance based, renewable forms of energy efficiency and other?

10. How can programs be designed to encourage competition?

11. Should programs be designed to favor technologies closest to being competitive, or those needing the most support? Should support be apportioned among technologies according to their predicted ability to accomplish the overall objectives?

12. How can programs be designed so as to incorporate and encourage "market pull" forces?

**Program Plan Administration and Implementation**

1. Who is responsible for program plan implementation and administration? How will this be structured?

    a. Should an Independent Statewide Administrator ("ISA") be established and how? How would an ISA be funded?

    b. What are all the advantages and disadvantages of continued reliance on individual utility administration?

2. Should program administrators periodically provide more detailed program plans? If so, how much detail and how often?

3. How can program or budget adjustments be made from year-to-year?

4. Is it appropriate for program administrators to earn performance incentives? If so, what policy guidelines should be established for this?

5. What are the issues and procedures in transitioning from current energy efficiency programs to the new Comprehensive Resource Analysis program plan?

6. What are the requirements for program evaluation and reporting?

7. What revisions to the current DSM regulations are needed to accommodate plan implementation?

8. When and how should the next Energy Efficiency and Renewable Energy Resources proceeding begin?

9. Should renewable energy programs be statewide programs?

10. Should the choice of programs to be supported by renewable energy funding drive the decisions regarding the choice of plan administrators, or vice-versa?

11. What administrative tasks are necessary in order to administer programs, police the process, and address problems? What administrative personnel are needed to carry out these tasks?

Although the Comprehensive Resource Analysis Proceeding will primarily act as the venue to resolve generic issues on new energy efficiency and renewable energy programs, inevitably it will involve utility specific issues. Thus each utility is assigned a docket number as follows:

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| Atlantic City Electric/Conectiv | EO99050350 |
| Elizabethtown Gas Company | GO99050353 |
| Jersey Central Power and Light Company | EO99050348 |
| New Jersey Natural Gas Company | GO99050354 |
| Public Service Electric and Gas Company | EO99050349 |
| Rockland Electric Company | EO99050351 |
| South Jersey Gas Company | GO99050352 |

Interested parties may commence submitting appropriate motions for intervention into the proceedings at any time subsequent to the effective date of this Order. All motions should reference both the generic CRA Docket Number affixed to this Order EX99050347, as well as the Docket Nos. assigned to the individual Company proceeding for which intervention is being sought, as set forth above. All parties granted intervenor status will be required to

conduct themselves within the procedural schedules set forth herein.

Upon submission of the CRA filings of the public utilities, the Ratepayer Advocate and the intervenors, discovery may commence consistent with the following schedule. Initial discovery shall be served on the appropriate utility and parties by no later than September 10, 1999. All responses are due within 10 business days from the date of receipt. Additional discovery shall be served on the appropriate utilities and intervenors by no later than October 4, 1999. Responses to follow-up discovery will be due within 5 business days from the date of receipt. Public utility and Intervenor Rebuttal testimony shall be filed by no later than October 11, 1999. Initial discovery on Rebuttal testimony shall be served by no later than October 18, 1999. Responses will be due with 5 business days from the date of receipt. Additional discovery shall be served on the appropriate utility and intervenor by no later November 1, 1999. Responses will be due within 5 business days from the date of receipt. Utilities and intervenors will be given the opportunity to conduct oral Surrebuttal at the hearings.

The Board will establish a specific hearing schedule for the three parts to the CRA filing, the Overall Policy and Funding Guidelines, Resource Assessment and Program Plan and Program Plan Administration and Implementation. Hearings will address generic as well as Company-specific issues. The current target hearing dates are approximately November 8 through November 26, 1999. Upon the completion of hearings the Board will establish a briefing schedule. The current target schedule is to complete the submissions of briefs and reply briefs by approximately January 14, 2000 in order to permit the Board to render decisions, in lieu of any settlements, by February 9, 2000, in preparation for the commencement of a Comprehensive Energy Efficiency and Renewable Energy Plan.

In the interim, with the Exception of PSE&G which has an interim DSM3 plan pending, several existing Demand Side Management plans are expected to expire prior to February 9, 2000, the Board **HEREBY EXTENDS** such plans until the conclusion of the Comprehensive Resource Analysis of Energy Efficiency Program Proceeding unless parties file objections prior to each plans expiration dates. If the decision on implementation of the new energy efficiency and energy renewable programs render it necessary to further extend such plans, the Board will address such concerns as they arise. The Board **HEREBY AUTHORIZES** its Staff and Deputy Attorney Generals to notify the parties of the actual hearing dates after consulting with the Commissioners' schedules.

DATED:___6/17/99___

BOARD OF PUBLIC UTILITIES
BY:

_____SIGNED_____
HERBERT H. TATE
PRESIDENT

____SIGNED_____
CARMEN J. ARMENTI
COMMISSIONER

_____SIGNED_____
FREDERICK F. BUTLER
COMMISSIONER

ATTEST:

____SIGNED_____
MARK MUSSER, ESQ.
SECRETARY